

STATE OF WASHINGTON



OFFICE OF  
INSURANCE COMMISSIONER

In the Matter of

**Korum Ford, Inc.,**

*Licensee.*

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D 03 - 254

STIPULATION AND ORDER  
LEVYING A FINE

**STIPULATION BY AGENT**

Korum Ford, Inc., ("licensee") hereby stipulates to the payment of a fine in the total amount of \$1,000 based on the following facts which are hereby acknowledged. Licensee further stipulates and agrees that it will comply with Washington insurance laws and regulations in the future.

1. The Office of Insurance Commissioner (OIC) completed an audit of the licensee's records October 27, 2003. The audit found the licensee failed to have proper affiliations or appointments in place for the business it was transacting. Each such transaction was in violation of WAC 284 -17-420 (1), (2).
2. The audit found a number of return premiums were owed to consumers for adjustments, overcharges and cancellations. It was also determined that the licensee was using the operating account to disburse checks for payment of premiums. Each such failure to return premiums was in violation of RCW 48.17.480. Each such failure to use the premium account properly was in violation of RCW 48.17.600 and WAC 284-12-080
3. The audit found that some of the unlicensed sales force was receiving a share of commissions earned by the licensee. Each such transaction was in violation of RCW 48.17.420.

The licensee has engaged in practices that are not in accord with the standards set out in the insurance code of Washington. Accordingly, the licensee enters this Stipulation to the following Order voluntarily and with the understanding that such fine is in lieu of any suspension or revocation of the licensee's license for such conduct. The facts described above, and the fact of this stipulation, may be considered by the Commissioner in any future administrative actions regarding licensee.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2003.

By: \_\_\_\_\_

**Korum Ford, Inc.**  
**Ted Cooper, Chief Financial Officer**

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ORDER

Pursuant to RCW 48.17.560 and the foregoing Stipulation, the Commissioner hereby imposes a fine in the amount of \$1,000 upon Korum Ford, Inc.

The fine shall be paid in full within 30 days from the date of this Order. Upon failure to pay the fine, the Commissioner will revoke the license of the licensee and the fine will be recoverable in a civil action brought on behalf of the Commissioner by the Attorney General.

ENTERED AT TUMWATER, WASHINGTON, this 20<sup>th</sup> day of November, 2003.

MIKE KREIDLER  
Insurance Commissioner

By

SCOTT JARVIS  
Deputy Commissioner

Investigator: Cheryl Penn